

FILED

SEP 19 2013

U. S. DISTRICT COURT
EASTERN DISTRICT OF MO
ST. LOUIS

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

CARY JORDAN,

Defendant.

4:13CR380 JAR/TCM

No.

INDICTMENT

The Grand Jury charges that:

A. INTRODUCTION AND BACKGROUND

At all times relevant to this Indictment:

1. Jordan, the defendant herein, resided within the Eastern District of Missouri.
2. Jordan owned, operated and was affiliated with Jordan Group USA, LLC and Jordan Group Canada, Inc. (collectively referred to as "Jordan Group") which operated in the Eastern District of Missouri. Jordan held himself out to be the founder and principal member of the Jordan Group.
3. Jordan registered the Jordan Group with the Missouri Department of Revenue in November of 2005 with the purported purpose of assisting companies in placing advertisements with various print, radio, television and outdoor media companies throughout the United States and Canada.

4. Based on representations by Jordan to his clients, the Jordan Group provided the following service: Jordan Group clients, such as Dairy Queen, contracted with Jordan Group to act on their behalf in finding media outlets for their advertising campaigns. Once Jordan Group located media outlets in the appropriate geographical location for the advertising campaigns, the Jordan Group would negotiate with the media outlets on behalf of its client. The Jordan Group then invoiced a pre-bill to its clients based on the price and estimated number of advertising spots negotiated between the Jordan Group and the media outlets. In turn, Jordan Group clients paid the Jordan Group based on the pre-bill. Additionally, at this time in sequence, the media outlets began to run the Jordan Group's client's advertising campaign. After the media outlet finished running the advertising campaign for the Jordan Group client, the media outlet sent an invoice to the Jordan Group based on the price and actual number of advertising spots that ran. The Jordan Group would then remit payment to the media outlet from the funds it received from its client due to the pre-bill.

B. SCHEME AND ARTIFICE TO DEFRAUD

5. Beginning at sometime unknown to the Grand Jury, but covering the time span from at least January 2008 until at least October 2008, in the Eastern District of Missouri,

CARY JORDAN,

defendant herein, knowingly devised a scheme and artifice to defraud and to obtain money and property, by means of materially false and fraudulent pretenses, representations and promises, which scheme and artifice is more fully described below.

6. As part of the scheme to defraud and unbeknownst to the Jordan Group clients, the Jordan Group ceased remitting to the media outlets funds to pay for their advertising spots. Instead, at the direction of Jordan, the Jordan Group began diverting funds specifically earmarked

for payment to the media outlets for the personal use of Jordan.

7. It was part of the scheme to defraud that Jordan, acting through the Jordan Group, represented to its clients that funds the clients paid to the Jordan Group at the instance of its pre-bill would be used to pay the clients' final bill from the media outlets for advertising spots. In truth, the funds paid to the Jordan Group at the instance of its pre-bill were used for Jordan's personal use and benefit.

8. It was further part of the scheme to defraud that Jordan fraudulently used client's money that was earmarked to be sent to media outlets to pay himself, to pay personal expenses, and to invest in other non-related investment opportunities.

9. It was further part of the scheme to defraud that Jordan routinely mailed pre-bill invoices from the Jordan Group to its clients based on the false representation that funds collected from the pre-bill would be used to pay the media outlets for the client's advertising spots.

10. It was further part of the scheme to defraud that Jordan routinely caused its client's to mail funds to the Jordan Group as payment to the pre-bill based on the false representation that the funds would be used to pay media outlets for the client's advertising spots.

11. It was further part of the scheme to defraud that Jordan routinely caused media outlets to mail final invoices to the Jordan Group for payment based on the false representation that the pre-bill funds previously collected by the Jordan Group from its clients would be used to pay the media outlets for the client's advertising spots.

COUNTS ONE-TWO (Mail Fraud)

12. The Grand Jury realleges and incorporates by reference herein paragraphs 1 through

11.

13. On or about the dates listed below, within the Eastern District of Missouri, for the purpose of executing the above described scheme and artifice to defraud and to obtain money or property and attempting to do so,

CARY JORDAN,

the defendant herein, did knowingly and willfully cause to be sent through the United States Postal Service or a private or commercial interstate carrier the following:

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION OF MAILING</u>
ONE	10/3/2008	Check number 680892 in the amount of \$142,992.39 sent from American Dairy Queen Corporation, Inc. located in Minneapolis, Minnesota to the Jordan Group located in Saint Louis, Missouri through the United States Postal Service or a private or commercial interstate carrier.
TWO	9/24/2008	Check number 679981 in the amount of \$351,653.10 sent from American Dairy Queen Corporation, Inc. located in Minneapolis, Minnesota to the Jordan Group located in Saint Louis, Missouri through the United States Postal Service or a private or commercial interstate carrier.

In violation of Title 18, United States Code, Sections 1341 and 2.

RICHARD G. CALLAHAN
United States Attorney

A TRUE BILL.

Dianna R. Collins #59641MO
Assistant United States Attorney

FOREPERSON